

Notice of Rulemaking Hearing  
Tennessee Regulatory Authority

There will be a hearing before the Tennessee Regulatory Authority to consider the promulgation of a rule pursuant to Tenn. Code Ann. §§ 4-5-202 and 65-2-102. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-204 and will take place in the Hearing Room of the Tennessee Regulatory Authority located at 460 James Robertson Parkway, Nashville, TN 37243 at 10 a.m. (central) on the 9th day of November, 2004.

Any individuals with disabilities who wish to participate in these proceedings (or to review these filings) should contact the Tennessee Regulatory Authority to discuss any auxiliary aids of services needed to facilitate such participation. Such initial contact may be made no less than ten (10) days prior to the scheduled meeting date (or the date the party intends to review the filings), to allow time for the Tennessee Regulatory Authority to determine how it may reasonably provide such aid or service. Initial contact may be made with the Tennessee Regulatory Authority's ADA Coordinator at 460 James Robertson Parkway, Nashville, TN 37243-0505 and 615/741-2904, extension 138.

For a copy of this notice, contact: Sharla Dillon, Docket Manager, Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37343, (615) 741-2904, extension 136.

Substance of Proposed Rule  
Chapter 1220-4-12  
Telecommunications Rule Implementing Toll-Free County Wide Calling

Tennessee Regulatory Authority Rule 1220-4-12, shall read:

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1220-4-12-.01	Definitions
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- (1) "Access charge" shall mean the charge for providing access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services.
- (2) "Authority" refers to the Tennessee Regulatory Authority

- (3) “CLEC” shall mean competitive local exchange carrier or competing telecommunications service provider as defined in Tenn. Code Ann. § 65-4-101(e).
- (4) “County-wide or intra-county calls” shall mean any telephone call made between two (2) points in the same county in Tennessee.
- (5) “Database administrator” refers to the entity designated by the Authority to manage the Tax Area Rate database.
- (6) “ILEC” shall mean incumbent local exchange carrier as defined in Tenn. Code Ann. § 65-4-101(d).
- (7) “IXC” shall mean inter-exchange carrier as defined in Tenn. Code Ann. § 65-4-101(a)(9).
- (8) “Landline calls” shall mean calls transported over a telecommunications landline facility but does not include wireless.
- (9) “Landline facility” shall mean a conventional telephone facility including twisted-pair lines, carrier facilities and microwave radio facilities for supporting a conventional telephone channel not including satellite or mobile telephone lines using radio transmissions.
- (10) “Reseller” shall mean any telecommunications service provider providing telecommunications service to an end user by resale of all or part of the facilities of another carrier.
- (11) “TAR” shall mean the statewide Tax Area Rate database that identifies the county where the call physically originates and terminates.
- (12) “Telephone Cooperative” shall mean any telephone company operating in Tennessee under the authority of Tenn. Code Ann. Chapter 29.
- (13) “Telecommunications Service Provider” means any incumbent local exchange telephone company or certificated individual or entity, or individual or entity operating pursuant to the approval by the commission of a franchise within § 65-4-207(b), authorized by law to provide, and offering or providing for hire, any telecommunications service, telephone service, telegraph service, paging service, or communications service similar to such services unless otherwise exempted from this definition by state or federal law (Tenn. Code Ann. § 65-4-101(c)).
- (14) “Wireless provider” shall mean a provider of telecommunications services such as cellular telephone, paging or personal communications for which all or part of the communications pathway between users includes transmission through radio links.

1220-4-12-.02 Scope and Purpose of Rule

- (1) It is established that there is a public interest need that all landline calls originating and terminating physically within the same Tennessee County to not be assessed toll charges. This public interest need mandates that all telecommunications service providers including but not limited to ILECs, CLECs, IXCs, Resellers and Telephone Cooperatives not bill for such calls when the call is transported over landline facilities.
- (2) This Chapter is not applicable to county-wide calls from wireless telephone service providers or from public payphones.

- (3) Any telecommunications service provider may file a petition with the Authority for relief if it believes that complying with this Chapter will prevent it from achieving a fair rate of return.

1220-4-12-.03 Methodological Requirements

- (1) Telecommunications service providers offering service in Tennessee are required to participate in the Tax Area Rate (TAR) database maintained by the Authority, or its designee, for the purpose of determining whether a customer should be charged a toll charge for telephone calls. Prior to billing a customer toll charges in Tennessee all telecommunications service providers shall query the TAR database to ensure that the calling customer is not billed toll charges for any telephone call that originates and terminates within the same county.

1220-4-12-.04 Database Administration

- (1) The Authority shall ensure that the administration of the TAR database is provided in a fair, efficient and economical manner and that each telecommunications service provider at the time of its application for authority to operate in Tennessee is made aware of its responsibility to participate in the database.
  - (a) The Authority shall designate the administrator of the TAR database for a term not to exceed ten (10) years (or 5 years?). The administrator is required to give the Authority a one (1) year's notice of its intent to cease providing the service.
- (2) Information required by the database administrator from telecommunications service provider shall be limited to data necessary to determine the county in which the call originates and terminates.
- (3) The database administrator and all telecommunications service providers with access to the database have a duty to protect the confidentiality of the customer information contained in the database and shall use the information only for the purposes of implementing these rules.
- (4) Within thirty (30) days of the effective date of these rules the database administrator shall publish and distribute to all Telecommunication Service Providers operational guidelines for the administration of the database. Telecommunications service providers shall have thirty (30) days from the date of publication of the operational guidelines to comply with the guidelines.
  - (a) The database administrator shall notify the Authority and telecommunications service providers participating in the TAR database at least thirty (30) days in advance of the effective date of any changes to the guidelines.
- (5) It shall be the responsibility of telecommunications service providers to submit accurate data to the database administrator. Data errors detected by the database administrator shall be returned to the submitting telecommunications service provider for corrections and resubmission within 2 (two) business days.
- (6) Each telecommunications service provider shall submit its updated information to the TAR database administrator no less than twice a month as specified by the guidelines to ensure accuracy of the data.
- (7) Each telecommunications service provider shall receive from the database administrator a bi-monthly update as specified by the guidelines and update its systems with all new additions and deletions.

- (8) The database administrator shall provide to the Authority reports on the operations of the database, as requested
- (9) Any telecommunications service provider may file a complaint with the Authority regarding any aspect of the operation of the TAR database.

1220-4-12- 05 Access Charges Prohibited

- (1) No provider of telecommunications services shall bill access charges to or collect access charges from another provider for the origination or termination of an intra-county call

1220-4-12- 06 Penalty Provision

- (1) Violators of this Chapter shall be subject to a civil penalty, payable to the Authority, pursuant to Tenn Code Ann § 65-4-120.
- (2) Violations shall be calculated in a liberal manner in order to protect the public interest and deter similar violations.

*Authority T C A §§ 65-2-102, 65-4-104, 65-4-201*

Legal/Technical Contact: J. Richard Collier, General Counsel  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37343  
(615) 741-2904, extension 170

I certify that this is an accurate and complete representation of the intent and scope of rulemaking proposed by the Tennessee Regulatory Authority.

PAT Miller

Pat Miller  
Chairman

Subscribed and sworn to before me this the 3 day of September, 2004.

Lynda Lu Davis  
Notary Public

My commission expires on the 28th day of May 2006.

The notice of rulemaking set out herein was properly filed in the Department of State on the 27 day of Aug., 2004.

Riley C. Darnell  
Riley C. Darnell  
Secretary of State

By: MSH